

Memo

Clay County Assessor's Office

To: Barry Wood, Assessment Division Director
From: D. Mark Barnhart, Clay County Assessor
CC: William A. Birkle, AAS
Date: 5/24/2010
Re: Clay County Indiana 2010 Trending & Ratio Study

Dear Mr. Wood,

For the purposes of trending of residential improved properties, the following townships were combined for the ratio study: Jackson, Sugar Ridge, Washington, and Cass; Sugar Ridge only had 4 valid sales, Washington only had 1 valid sale and Cass had zero valid sales. Lewis and Perry; both townships only had 4 valid sales. Posey and Dick Johnson; Dick Johnson only had 4 valid sales. The remaining townships had enough sales to adequately perform an assessment to sales ratio analysis.

County-wide residential vacant land sales have also been reviewed. With 9 valid sales we conducted a countywide study and took it one step further by performing additional testing. We employed a land to building ratio study and looked at the average land allocation percentage of the improved residential properties. In reviewing the allocation the data showed an average land allocation of 17.4%. This is within the acceptable range of 16%-22% that is widely accepted as the range for land values.

The 2009 Annual Adjustments and Ratio Study for commercial and industrial properties in Clay County were completed utilizing sales from a five county region. The counties included in this study were: Clay, Greene, Owen, Sullivan and Vermillion. All five counties are located in West-Central Indiana and consist of very similar markets. All are highly agricultural communities with small towns driving the predominant commercial infrastructure. Due to the lack of adequate volume of sales, consolidating the sales from these similarly situated counties to develop and employ an accurate trending was deemed a viable solution.

An attached spreadsheet details the reasons for invalidation of previously validated sales and in some cases, the validation of previously invalidated sales data.

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Please be aware that all properties in Clay County have been reviewed and data entered for the reassessment. Brazil, Lewis, Jackson and Posey townships were completed as of last year's ratio study. The remaining townships were completed prior to the submission of this ratio study report. This includes completion of residential, agricultural, commercial and industrial data collection and review. We have signed a contract with our vendor to re-review all properties reviewed prior to July 2010 and will begin that verification on time. All data submitted and utilized for the 2010 sales ratio study, as it refers to completed reassessment work is current and up to date.

If you or your staff has any questions or concerns, please contact me at your convenience.

Respectfully Submitted,

The Honorable D. Mark Barnhart
Clay County Assessor